

New program to affect contract awards

Story by Alexander Kufel

Small businesses struggling to get by in geographic areas that have not yet experienced economic upturns now have a stronger ally in their fight for survival. On Jan. 4, the Small Business Administration implemented a new program designed to increase the chances for survival of firms located in what is defined as "historically under-utilized business districts" or HUBZones. As Federal agencies involved in construction, both POD and HED have mandated goals for awarding certain contracts to firms located in specific areas and meeting specific criteria.

Alex Lau, POD deputy for small business, and Monica Kaji, the HED deputy, said that new regulations governing the awarding of Federal contracts in the range of \$100,000 to \$3 million soon will provide helping hands in locales where no one else might be in a position to offer assistance. In brief, a firm must apply for eligibility and meet several criteria to be eligible:

- They must be located in a qualified U.S. census tract (HUB-Zone) or in a qualified non-metropolitan county in which the median household income is less than 80 percent of the state's median household income, or where unemployment is more than 140 percent of the statewide average.

- The company ownership must be by a U.S. citizen or citizens.

- 35 percent of the firm's employees must reside in a HUBZone.

Kaji said that certification results in certain advantages for a company in that they would be eligible for "set-asides," competing only against other HUBZone concerns; would be eligible for award using "sole source" procedures; or would be eligible to receive a 10 percent price evaluation preference in



Alex Lau, POD deputy for small business, and Monica Kaji, HED deputy, discuss the implications of the HUBZone program for Corps contracts. Photo by Alexander Kufel

solicitations using full and open competition procedures.

Lau said that the current goal for the Division is for one percent of the contracts to be awarded to HUBZone firms, with that figure increasing by a half percent each year until 2003, when it will be three percent of the total contracts.

Westphal wraps up Pacific visit in Hawaii

The Assistant Secretary of the Army for Civil Works, Dr. Joseph W. Westphal arrived in Honolulu Friday, Jan. 30, for five days of familiarization with Army installations and water resources development projects in Hawaii as part of a 13-day visit to U.S. military commands in the Pacific.

"My visit to Hawaii is an important one," he said, "because while the Civil Works program in the Pacific is relatively small monetarily, its geographical presence in this part of the world makes it significant overall." The U.S. Army Corps of Engineers

Civil Works program is one of the few programs that links economic growth to environmental protection, said Westphal. Because of that the Corps and its water resources development efforts are an important part of the administration's priorities, he said.

Westphal's Hawaii itinerary included discussions and briefings with Pacific Ocean Division (POD) commander Brig. Gen. Carl A. Strock and Corps staff, a U.S. Army Pacific Round Table

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